

Dustin Monroe

Chairman and Committee members,

I rise in support of House Bill 590, The Implication of Access of Health Montana. The benefits are too great to pass up for State of Montana; this opportunity is a once in a generation opportunity.

This would help 20,000 Native Americans who would be eligible. Some of the challenges for Native Americans are the cost to travel back and forth from the reservation to the Urban Center. For me to travel to from Helena to Fort Belknap where my records are that would be a \$100 in gas, \$168 in wages, and etc. costs. This the price, I have to pay every time I need health care and others that are working this fee is too high of a price to pay.

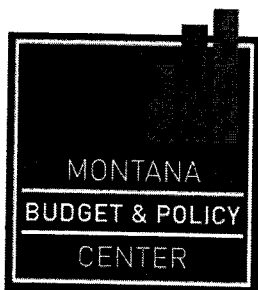
I think a lot of time of times the misperception about Medicaid Expansion is that the state would pay for these 20,000 Native Americans. There is a big difference when it comes State Dollars and Federal Dollars for Native Americans because the Federal government would reimburse the state at 100%. This is because of the Treaties my grandfathers put in place for future generations.

Out of the 60- 70,000 Montanans that would be eligible Native Americans make up 20,000, which is a 1/3 of 70,000. So the state would save close to 1.5 Million because the state would not have to pay them because they are covered by Federal dollars. So I believe this fiscal not is a little too high.

Job Creation is another positive aspect that Medicaid Expansion would create for the Reservations and the counties that are border towns. On the Blackfeet Reservation for instance there is potential for 145 new jobs and in Fort Peck 139 new jobs. Indian Health Service is usually the biggest or second biggest employer on reservations. Overall, 665 new jobs will be created on reservations. This is a impact would be a community impact from not only health care jobs to service jobs for the Indian Health Service.

I believe in the business principle if the dollars make sense invest in it. If Montana doesn't pass Access Health Montana, Montana will lose \$700 million in annual loss in future GDP. If this Montana legislation passes HB 590, \$5 to \$8.7 billion in additional GDP over 8 years will be grossed, with over \$9 billion of additional economic output. Also 9,500 Montana Veterans and their spouses would gain access to quality, affordable health care coverage if lawmakers choose to expand.

Committee members I ask you to remember everyone in your hometowns you represent, how would this help them. So think about them when you make your vote. Pass HB 590 and let's get a vote on the House Floor



## Medicaid Expansion: A Good Deal for Indian Country

October 2012

Montana has a unique opportunity to improve healthcare for American Indians by expanding Medicaid.<sup>1</sup> If Montana policymakers choose to take advantage of this opportunity, American Indians who are newly eligible for Medicaid, including those who rely on Indian Health Service (IHS) facilities, will see improvements in their healthcare. Up to 19,547 American Indians would be newly enrolled in the program,<sup>2</sup> improving access to care and health outcomes throughout Indian Country.

Furthermore, Medicaid expansion is a bargain for Montana. From 2014-2017, the federal government will pay 100% of the cost to expand Medicaid to low-income adults earning less than 138% of the federal poverty level, which is \$26,344 for a family of three.<sup>3</sup> Beginning in 2017, Montana will pick up a small portion of the costs, paying no more than 10% from 2020 forward.<sup>4</sup> In addition, any services billed by Indian Health Service to Medicaid for care of American Indians will continue to be reimbursed 100% by the federal government, eliminating *any* fiscal obligation by the state.<sup>5</sup>

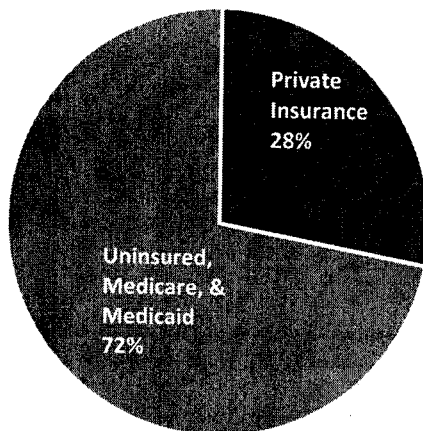
### Lack of Access to Quality Health Care in Indian Country Is Unacceptable

Of 33 states with significant Native populations, Montana ranks the highest of any state in uninsured American Indians (40%) and the second lowest in number of American Indians with private insurance (28%) (Chart 1).<sup>6</sup> Among American Indians ages 18-64 (the population affected by Medicaid expansion), 57% are currently uninsured (Chart 2).<sup>7</sup> In contrast, Montana has the fourth highest number of American Indians who report having access to underfunded IHS clinics (68%).<sup>8</sup>

#### Key Points

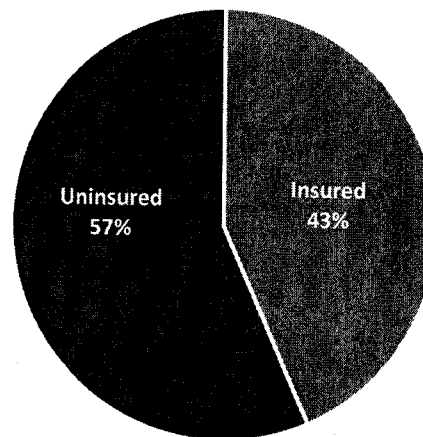
- Federal funding for Indian Health Service (IHS) covers only 60% of the demand for care.
- Due to a severe funding shortage, American Indians who rely on IHS often experience a lack of access to quality care, including preventative care and early treatment of chronic diseases.
- Underfunding for IHS is a contributing factor to the health disparities that exist between American Indians and the general population.
- Montana has a unique opportunity to expand Medicaid eligibility at little cost to the state. Under expanded eligibility, up to 19,547 American Indians would enroll in Medicaid and have expanded access to care.
- Because IHS clinics get reimbursed for care to Medicaid recipients, the expanded coverage would increase the capacity of those facilities to address funding shortages and provide improved services to all of their American Indian patients.
- The influx of new federal dollars created by Medicaid expansion will provide an economic boost throughout Montana.

**Chart 1: Only 28% of American Indians in MT Are Covered by Private Insurance**



Source: Fox and Boerner, 2012

**Chart 2: Over Half of American Indians in MT Ages 18-64 Are Uninsured\***



Source: Fox, 2011

\*IHS is not considered health insurance.

### History of Indian Health Service

During the 18th century, the federal government made agreements with American Indian and Alaska Native tribes in exchange for land and natural resource ownership. As part of these agreements, the federal government assumed responsibility for the provision of healthcare to American Indians.<sup>i</sup>

The Snyder Act of 1921 made two key changes in Indian Country. It extended full U.S. citizenship to Native Americans and also authorized federal appropriations specifically for "the relief of distress and conservation of health... [and] for the employment of...physicians" for Indian tribes throughout the United States.<sup>ii</sup> Almost 25 years later, under the 1955 Transfer Act, the Indian Health Service (IHS) was established. This establishment of IHS transferred responsibility for Indian health from military oversight to the Department of Health, Education, and Welfare.<sup>iii</sup>

<sup>i</sup>Brett Lee Shelton, "Legal and Historical Roots of Health Care for American Indians and Alaska Natives in the United States," Henry J. Kaiser Family Foundation, February 2004.

<sup>ii</sup>The Snyder Act, November 2, 1921, P.L. 67-85.

<sup>iii</sup>Carol Ingram, Shannon McMahon, & Veronica Guerra, "Implications of Health Reform for American Indian and Alaska Native Populations," Center for Healthcare Strategies and National Academy for State Health Policy, February 2012.

The Billings Area IHS Service Unit is responsible for the oversight of the Tribal Health programs in Montana and Wyoming, including IHS-run clinics, tribally administered programs, and urban Indian health clinics. In Montana, there are three hospitals that provide both inpatient and outpatient care, and ten health centers that provide solely outpatient care. Montana also has five Urban Indian Programs located in Billings, Great Falls, Helena, Missoula, and Butte.<sup>9</sup>

**Medicaid Expansion job creation dispersment in rural Montana counties, and urban communities with significant Native American populations.**

County	Population	% AI population	% 18 and over	Total AI population	% OF Mt population	# of Jobs per County	# of Jobs per AI population
Glacier	13711	63%	69%	8693	1%	191	121
Big Horn	13061	63%	67%	8215	1%	182	114
Lake	28986	22%	75%	6493	3%	404	90
Blaine	6683	49%	69%	3268	1%	93	64
Roosevelt	10927	59%	69%	6491	1%	152	90
Rosebud	9396	34%	71%	3204	1%	131	45
Hill	16366	22%	73%	3535	2%	228	49
Yellowstone	151882	4%	77%	6531	15%	2115	91
Missoula	110977	3%	81%	2996	11%	1546	42
Gallitan	92614	1%	79%	926	9%	1290	13
Cascade	81723	5%	77%	3678	8%	1138	51
Total jobs in rural counties with significant Native Population						7470	771

**Medicaid Expansion job creation dispersment for the 7 reservations and the Little Shell Tribe.**

Tribe/Reservation	Census 2010 Total Population	2010 Rank	% AI populat ion	% Unemploy ment rate	Potential jobs created per reservation
Blackfeet	10405	2	16%	68.5%	145
Crow	6863	4	10%	46.5%	96
Flathead	28359	1	8%		69
Fort Belknap	2851	7	4%	69.6%	40
Fort Peck	10008	3	15%	53.5%	139
Northern Cheyenne	4789	5	7%	59.8%	67
Rocky Boy	3323	6	5%	67.9%	46
Little Shell	4500		7%	10.6%	63
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